



DEPARTMENT OF HEALTH AND HUMAN SERVICES

Centers for Medicare & Medicaid Services

[CMS-5514-N]

Medicare Program; Oncology Care Model: Request for Applications

AGENCY: Centers for Medicare & Medicaid Services (CMS), HHS.

ACTION: Notice.

SUMMARY: This notice announces a request for applications (RFA) for organizations to participate in the Oncology Care Model (OCM) beginning in 2016.

DATES: Letter of Intent Submission Deadline: As described on the CMS Innovation Center Web site at <http://innovation.cms.gov/initiatives/Oncology-Care/>, interested payers must submit a nonbinding letter of intent by 5:00 pm Eastern Daylight Time (EDT) on March 19, 2015.

Interested practices must submit a nonbinding letter of intent by 5:00 pm EDT on April 23, 2015.

Application Submission Deadline: Applications for payers and practices must be received by 5:00 pm EDT on June 18, 2015. Application materials and instructions are available at <http://innovation.cms.gov/initiatives/Oncology-Care/>.

ADDRESSES: Letter of Intent forms must be submitted electronically in the PDF fillable format to OncologyCareModel@cms.hhs.gov. Letters of Intent will only be accepted via e-mail. Applicants that submit a timely, complete Letter of Intent will be sent an authenticated web link and password with which to access the electronic, web-based application.

FOR FURTHER INFORMATION CONTACT:

OncologyCareModel@cms.hhs.gov for questions regarding the application process of OCM.

SUPPLEMENTARY INFORMATION:

I. Background

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The Center for Medicare and Medicaid Innovation (Innovation Center), within the Centers for Medicare & Medicaid Services (CMS), was created to test innovative payment and service delivery models to reduce program expenditures while preserving or enhancing the quality of care for Medicare, Medicaid, and Children's Health Insurance Program (CHIP) beneficiaries.

We are committed to continuous improvement for Medicare, Medicaid and CHIP beneficiaries. The goal of the Oncology Care Model (OCM) is to improve the health outcomes for people with cancer, improve the quality of cancer care, and reduce spending for cancer treatment. We expect that physician practices selected for participation in the model will be able to transform care delivery for their patients undergoing chemotherapy, leading to improved quality of care for beneficiaries at a decreased cost to payers. Through this care transformation, practices participating in OCM can reduce Medicare expenditures while improving cancer care for Medicare Fee-for-Service (FFS) beneficiaries.

Beneficiaries can experience improved health outcomes when health care providers work in a coordinated and person-centered manner. We are interested in partnering with payers and practitioners who are working to redesign care to deliver these aims. Episode-based payment approaches that reward practitioners who improve the quality of care they deliver, lower costs, and engage with quality and cost data that will inform their provision of care are potential mechanisms for CMS to further emphasize care coordination and enhanced care through practice transformation.

OCM will test episode-based payment for oncology care, using a retrospective performance-based payment for an episode of chemotherapy. The request for applications (RFA) requests applications to test a model centered around a chemotherapy episode of care.

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For more details, see the RFA available on the Innovation Center Web site at

<http://innovation.cms.gov/initiatives/Oncology-Care/>.

II. Provisions of the Notice

The Innovation Center is operating this model under the authority of section 1115A of the Social Security Act (the Act). This RFA is directed to physician practices that provide oncology care as well as public and other health care payers. The Innovation Center hopes to engage at least 100 physician practices that, in aggregate, will furnish care for approximately 175,000 cancer care episodes for Medicare beneficiaries over the course of this 5-year model.

The Innovation Center sees the following as key opportunities within OCM:

- Promote shared decision-making, person-centered communication, evidence-based care, beneficiary access to care, and coordination across providers and settings.
- Reduce complications of cancer and cancer treatments, as well as associated costs, through advanced care planning, increased use of high-value treatments, and reduction of inappropriate payment incentives.
- Collect structured clinical data and integrate clinical trial enrollment into processes of care to facilitate quality improvement and accelerate clinical research.
- Support the development and reporting of meaningful outcome measures.
- Develop and monitor refined approaches to care delivery, which may improve the research infrastructure (for example, by facilitating improvement in the quality of evidence for existing therapies).
- Encourage delivery of care in the lowest-cost medically-appropriate setting.
- Refine a value-based payment system that encourages team-based care and workforce innovation.

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Participating practices must be able to meet the following practice requirements during the performance period:

1. Treat patients with therapies consistent with nationally recognized clinical guidelines.
2. Provide and attest to 24 hours a day, 7 days a week patient access to an appropriate clinician who has real-time access to practice's medical records.
3. Use of ONC-certified electronic health record (EHR) technology as described in the RFA.
4. Utilize data for continuous quality improvement.
5. Provide core functions of patient navigation.
6. Document a care plan that contains the 13 components in the Institute of Medicine Care Management Plan.

Participating practices in OCM will continue to receive standard Medicare FFS payments during OCM episodes. OCM will also provide an opportunity for participating practices to receive retrospective episode-based performance payments. After calculating the benchmark for each OCM participant, CMS will set a target price for chemotherapy episodes, which includes a discount. Participants whose Medicare expenditures are below the target price may receive semi-annual lump-sum performance-based payments, subject to the achievement of quality measures. In addition to the performance-based payments, participants will receive a Per-Beneficiary-Per-Month payment (PBPM) for Medicare beneficiaries with nearly all cancer types for each of the 6 months of the episode. The monthly PBPM payment is intended to pay for the enhanced services driven by the practice requirements, aimed at transforming practices towards comprehensive, person-centered, and coordinated care. The OCM PBPM is \$160 per OCM

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beneficiary per month for the duration of each 6-month episode, and will remain constant for the 5-year model.

OCM also aims to incorporate other payers in addition to Medicare, such as commercial insurers and state Medicaid agencies. Payers must also be able to meet the following requirements for participation in the model:

1. Commit to participation in OCM for its 5-year duration, and start performance period no later than 90 days after OCM-FFS' performance period.
2. Sign a Memorandum of Understanding with the Innovation Center.
3. Enter into agreements with physician practices participating in OCM that include requirements to provide high quality care.
4. Share model methodologies with the Innovation Center.
5. Provide payments to practices for enhanced services and performance as required in the RFA.
6. Align practice quality and performance measures with OCM, when possible.
7. Provide participating practices with aggregate and patient-level data about payment and utilization for their patients receiving care in OCM, at regular intervals

The OCM start date is expected to be in spring 2016.

For more specific details regarding OCM (including the RFA), we refer applicants to the informational materials on the Innovation Center website at:

<http://innovation.cms.gov/initiatives/Oncology-Care/>. Applicants are responsible for monitoring the website to obtain the most current information available.

III. Collection of Information Requirements

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Section 1115A(d)(3) of the Act, as added by section 3021 of the Affordable Care Act (Pub. L 111-148), states that chapter 35 of title 44, United States Code (the Paperwork Reduction Act of 1995), shall not apply to the testing and evaluation of models or expansion of such models under this section. Consequently, this document need not be reviewed by the Office of Management and Budget under the authority of the Paperwork Reduction Act of 1995 (44 U.S.C. 35).

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Dated: December 22, 2014

Marilyn Tavenner,

Administrator,

Centers for Medicare & Medicaid Services.

BILLING CODE 4120-01-P

[FR Doc. 2015-03060 Filed 02/12/2015 at 11:15 am; Publication Date: 02/17/2015]